



NEWS RELEASE

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Weekly collection of payments will ensure that those who are entitled to benefits get them – Hanafin

Over €500million is targeted in welfare savings this year through fraud and control measures

People signing on the Live Register from now on will have to collect their weekly benefit payment at a post office instead of it being paid automatically to their bank account. This, the Minister for Social and Family Affairs Mary Hanafin T.D., said is in an effort to reduce the likelihood of people claiming benefits while not being resident in Ireland.

Since September of last year officials in the Department have been monitoring new people signing on the Live Register and their residency status. Since then some 2,048 cases of people on the Live Register who were being paid through their bank accounts were investigated to see if they were still resident or were getting the benefit they were entitled to. Of these 182, almost 10%, were found not to be resident at the time they were claiming benefits or were claiming a level of benefits which they were not entitled to. Stopping these claims alone resulted in savings of over €1.5million in that period.

Minister Hanafin said **“every person who is entitled to their benefit – either jobseekers benefit or jobseekers allowance – will get their payment every week at their local post office. Individuals who are not living in the country and who are not genuinely seeking work are not entitled to claim a payment from the State.**

People on the Live Register sign on once a month at their local Social Welfare Office. This was all that was necessary to ensure continuity of payment into their bank account. From the investigations that have taken place it appears that some people left Ireland and are possibly living and working in other countries in the EU, but are continuing to sign on once a month in Ireland. This is clearly an abuse of our welfare system and threatens the public finances at a time when all budgets are under pressure.

Ensuring that all new claimants collect their payment in person through their local post office each week should have the effect of



minimising the risk of abuse and overpayment of benefits.” If the payment is not collected by the person within the week it is cancelled and the individual must then go to their local Social Welfare Office to have it re-instated.

Minister Hanafin went on to say that the numbers of people signing on the Live Register each month does not remain static **“over the first six months of this year an average of 7,560 new people were signing on the Live Register each week while at the same time about 5,620 were leaving it each week. There is a major monitoring and processing operation required each week to ensure that the correct payment goes to the right person. Our aim is to ensure that people get the benefits they are entitled to, but also that every support and effort is made across all the agencies of the Government to get them back into full time work as quickly as possible.”**

Officials in the Department of Social and Family Affairs will be intensifying their control activities over the coming months in order to ensure that only those who have an entitlement are paid the appropriate amount. They will monitor residency for both non-Irish nationals and Irish people who are signing on through regular home visits by Inspectors. They will also be monitoring people who are being paid benefits through their bank account to ensure that they continue to satisfy the conditions for entitlement to payment.

The Departments policy is to consider for prosecution all serious cases of social welfare fraud. Prosecutions are taken against persons who defraud Social Welfare schemes and also against employers who fail to honour their obligations under the PRSI system.

In 2007 a total of 361 cases for prosecution were referred to the Chief States Solicitors Office (CSSO). To the end of June this year 205 cases have been referred to the CSSO and 134 cases were finalised in court.

ENDS

Notes for Editors:

Fraud prevention

The prevention of fraud and abuse of the social welfare system is an integral part of the day-to-day work of the Department of Social and Family Affairs. Over 600 staff at local, regional and national level are



Department of Social and Family Affairs

engaged on a full or part time basis on work related to the control of fraud and abuse of the system. This objective is met in a number of ways

- Prevention of fraud and error at the initial claim stage
- Early detection through effective review of claims in payment
- Measures to deter fraud, and
- Pursuit and recovery of overpayments

In 2007 claim reviews and employer inspections generated control savings of almost €450million. This year the target set by the Department is aiming to realise savings of €511million and Minister Hanafin has committed through increased control activity especially on the Live Register and related payments to realise a further €25million from intensified control activities.

Numbers on Live Register

Based on the end of June Live Register figures there were 98,734 Jobseekers Benefit claims and 111,872 Jobseekers Allowance claims.

Jobseekers Benefit (JB) is a weekly payment based on insurance contributions.

Jobseekers Allowance (JA) is also a weekly payment but is means tested.

To qualify for Jobseekers Benefit or Allowances, you must at all times be:

- unemployed (i.e. at least 3 days in each period of 6 consecutive days)
- under 66 years of age;
- capable of work;
- available for full-time work; and
- genuinely seeking work.

For Jobseekers Benefit you must have suffered a loss of employment, that is, you must have lost at least one day's insurable employment including a loss of income.